

GREGORY S. BELL Lieutenant Governor

## State of Utah

DEPARTMENT OF NATURAL RESOURCES

MICHAEL R. STYLER Executive Director

Division of Oil, Gas and Mining

JOHN R. BAZA
Division Director

January 20, 2011

Rick Havenstrite Desert Hawk Gold Corporation 8921 North Indian Trail Road, Suite 288 Spokane, Washington 99208

Subject: Conditional Approval of Amended Notice to Commence Small Mining Operations, Desert

Hawk Gold Corporation, Yellow Hammer, S/045/0076, Tooele County, Utah

Dear Mr. Havenstite:

The Division has completed a review of an amendment to the referenced Notice of Intention to Commence Small Mining Operations (NOI), received January 10, 2011. Please provide the following information:

Please submit the requested modifications to the Yellow Hammer Exploration permit, E/045/0162, sent by the Division on January 20, 2011. The submittal needs to be complete.

A written approval from the Division for the Yellow Hammer Small Mine amendment will be given after the above has been completed. Please note the NOI has a reclamation surety of \$25,200 for 5 acres of disturbance, with an escalation date of September 29, 2014. There are no facilities noted in the NOI or approved in the Yellow Hammer small mine NOI.

In reply, <u>please refer to file number S/045/0076</u>. Thank you for your cooperation. If you have any questions regarding this letter, please contact me at (801) 538-5261 or Leslie Heppler at 538-5257.

Sincerely,

Paul Baker

Minerals Program Manager

PBB:lah:eb

Cc: <u>keith@cliftonmining.com</u>, <u>ojgatten@nae-exploration.com</u>

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